

W-2 Contingency Fund Access 2002 – 2003 Contract

Contingency Fund Access Eligibility Criteria

1. Agencies must demonstrate how their use of Community Re-investment and/or Workforce Attachment and Advancement funds have benefited the W-2 and related program populations. Agencies must also demonstrate how these funds have helped to address the current benefit caseload shortfall.

and

2. Based on a minimum of the first six months of benefit expenditures the Agency must demonstrate that they will exceed their current actual benefit allocation during the current contract period. Include your current financial information and the methodology you used to arrive at your projection.

and/or

3. Any other circumstances beyond the control of the agency.

Once the criteria has been meet, the following process must be followed:

1. Requests will be considered any time after the first six months of the contract.
2. Contingency Fund requests will be submitted to the Department of Workforce Development (DWD) Area Administrator. Within 10 business days the Area Administrator will forward request to the DWD Central Office. Within 10 business days DWD will submit request to Department of Administration (DOA). DOA will submit request to Joint Finance within 10 business days.
3. Within 30 days upon approval by joint finance 13.10 session the Department will issue a contract addendum to the requesting agencies for the full amount approved by joint finance. This allocation will be restricted to cash benefits and can be accessed immediately upon exhaustion of the original benefit allocation. Any under-spending of the addendum amount will be returned to the Department.
4. The W-2 Agency will attend the 13-10 meeting with Department.

Other related critical issues discussed:

1. Immediate access or assurance via contract amendment is critical for some agencies.
2. Small Agencies have difficulty in projecting Benefit spending and may need access on a monthly basis.
3. Who does projections and what method of projection should be used to forecast benefit needs?
4. Do the projections need to be consistent? What about special circumstances (small agency and plant closing)
5. We need to look at preserving funding for future needs.
6. Should there be an allocation for agencies based on a projected benefit shortfall?
7. Subsequent requests should be handled through passive review process.
8. The Fund will be accessed on a first come first serve basis.
9. How do we prove there is no other funding available to address benefit needs?
10. Agency out-clause (Waushara Co.)
11. Should we project when our allocation will be exhausted (Region 5 in Feb 2003)
12. Agencies were under-funded.
13. Is there a mutually acceptable way of communicating with Joint Finance? The fear is we may be at opposite ends on what needs to occur before accessing contingency funds.
14. Lobbying members of Joint Finance

Bottom Line

Agencies need sufficient funding to operate W-2 according to its purpose and our commitment to its stakeholders.

Background Information: Statewide Benefit expenditures, Appendix 9.14 and
Background paper from July 16, 1999

